

# *Overview*



- **What is market research (MR)?**
- **Why do MR?**
- **Who does MR?**
- **When do you do MR?**
- **How do you do MR?**
- **Market Research Principles**

# ***What is Market Research?***

- **FAR definition:**  
“collecting and analyzing information about capabilities within the market to satisfy agency needs”

**Window  
Shopping!!**

# ***What is Market Research?***

- **Market research is a continuous process for gathering data on**
  - **product characteristics**
  - **suppliers capabilities**
  - **business practices**
  - **PLUS the analysis of that information to make acquisition decisions**

# ***What is Market Research?***



- **Commercial Item**
  - any item or service that is of a type customarily used for non-governmental purposes
  - that has been sold, leased or licensed to the general public or has been offered for sale, lease or license to the general public
  - May also include items that will be available in the future or that require some modification

# ***Why do Market Research?***



- **Optimize the potential for use of commercial items/services**
- **Opens communication channels**
- **Make an informed business decision**
- **DoD can no longer afford not to**

**It Just Makes Good Business Sense!!**

# ***Why do Market Research?***



- **Agencies are required to conduct market research appropriate to the circumstances:**
  - **While developing (finalizing) new requirements documents for any acquisition;**
  - **Before soliciting offers for acquisitions exceeding the simplified acquisition threshold (SAT); and**
  - **Before soliciting offers for acquisitions under the SAT when adequate information is not available and the circumstances justify its cost**

# ***Why do Market Research?***

## **Open Communication Channels**

- **Acquisition Team**
  - Key word is “team”
  - Brainstorming
  - Discussions
- **Industry**
  - Develop new potential sources
  - Update knowledge of tech advancements
  - Understand common marketplace practices

**No Room for Adversarial**

# ***Why do Market Research?***



- **Make an informed business decision**
  - **Type of contract**
  - **Use of incentives**
  - **Best Value**
  - **Small business considerations**



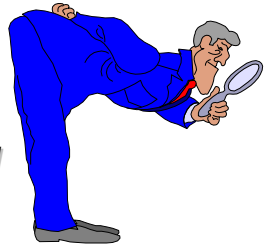
# ***Who Does Market Research?***



**Everyone!!**

# *Who Does Market Research?*

**Contracting  
Officers**



**QAEs/QASS**



**FM**



**Small  
Business**

**Program Managers/  
Functionals Requirements**



**DCMC**

**B R A G**

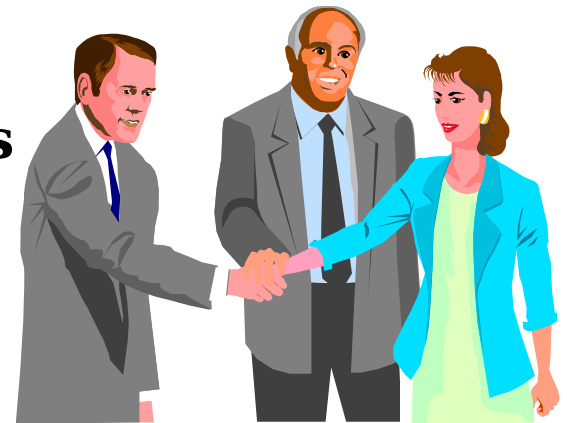
**DFAS**

# ***Who Does Market Research?***


- **Business Requirements and Advisory Group (BRAG)**

**A customer-focused multifunctional team to plan and manage service contracts**

- **Market Research**
- **Requirements Definition**
- **Contract Structure**
- **Quality/Surveillance Measures**
- **Contractors Input**




# ***When do You do Market Research?***



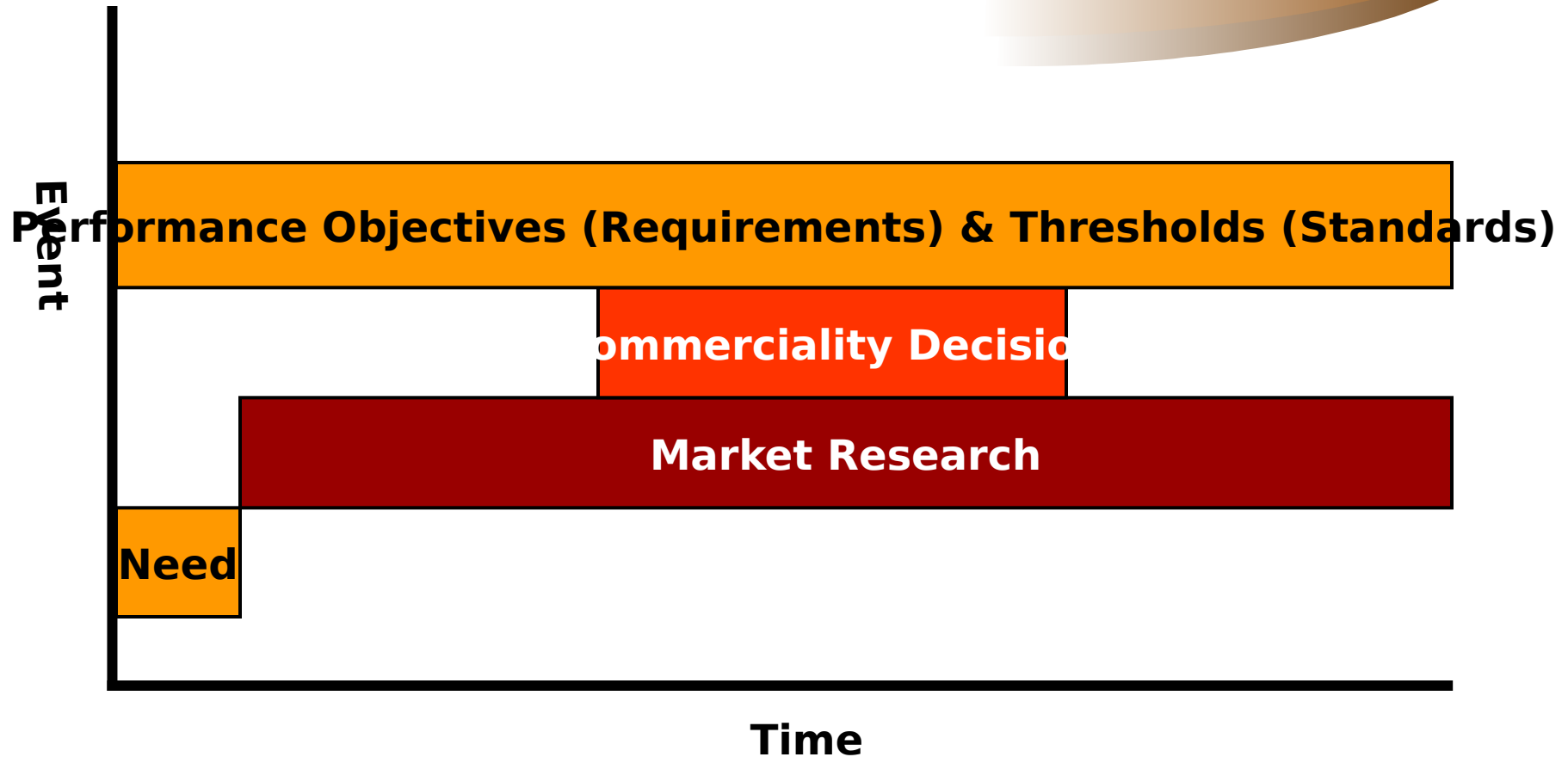
- **As Part of Acquisition Planning**
  - **You should budget time and dollars for MR**
- **Before Making Commerciality Determination**

# ***When do You do Market Research?***



- **During the Development of the Program Requirements**
  - **To determine if commercial, non-developmental or developmental item or service**
  - **To identify commercial standards**
  - **To identify commercial QA practices**
  - **To write a performance-based work statement**

# ***When do You do Market Research?***



# ***How do You do Market Research?***



- **Brainstorming**

- **Guidance**

- **Facilitated by MR Group Leader**

- **Makes initial suggestions to begin session**
- **Tracks time**
- **Writes down ideas**
- **Reminds everyone of “rules”**

- **Establish Time Limit**

- **No Editing**

- **No Discussion**

- **When Done Compile and Refine List**

# ***How do You do Market Research?***



- **Establish a basic needs Statement**
  - **Can be as simple as 1 or 2 sentences**
  - **Should be outcome oriented**
  - **MR will help develop statement further**
- **Identify sources of information for market research**



# ***How do You do Market Research?***



- **Group members research sources of information**
  - **Objective of researching sources of information is to find potential sources contractor/vendors with whom you'll be able to exchange information with**
- **Group refines/develops list of companies, users who will be contacted**

# ***How do You do Market Research?***



- **Develop list of proposed questions**
- **Determine methods to be used**
  - **Personal contact**
  - **Telephone contact**
  - **Comprehensive questionnaire**
  - **Request for Information**

# ***How do You do Market Research?***



- **Analyze results of market research**
  - **Support commerciality decision**
  - **Translate market research findings into PWS requirements**
    - **Example: If findings revealed standards for warranties ranged between 1 and 2 years, question if a 5 year warranty is necessary**
- **Document details in report**
- **Post on homepage or BSX Web Page**

# ***Principles of Market Research***



- **Start Early**
- **Involve Users**
- **Communicate**
- **Think of Market Research as an Iterative Process**
- **Tailor the Investigation**
- **Refine as you Proceed**

# ***Principles of Market Research***



- **Start Early**
  - Prior to Milestone 0
  - Budget time and money
- **Involve Users**
  - In addition to formal (BRAG) lines of communication, establish informal ones with actual users
- **Communicate**
  - Don't limit efforts to companies traditionally dealt with in the Government market

# ***Principles of Market Research***

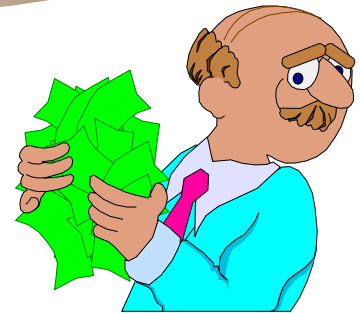


- **Think of Market Research as an iterative process**
  - **Used to determine commercial availability**
  - **Used to identify commercial practices, standards to incorporate in PWS**
  - **Used to support business decisions**
- **Refine as you proceed**

# ***Principles of Market Research***



**VS**



- **Tailor the investigation**
  - **Dependent on complexity, urgency, estimated dollar value, information readily available and past experience**





Questions?